

### **REMARKS**

Claims 21-25, 27-32, 34, 36-40, and 42-45<sup>1</sup> remain pending in this patent application and have not been amended. Applicant understands that because this application is under final rejection, entry and consideration of this response is at the discretion of the Examiner. However, Applicant believes that this response should be entered and respectfully submits that the remarks made in this response are necessary and were not earlier presented because they are in response, at least in part, to rejections and arguments made in the final Office Action. Accordingly, Applicant respectfully requests that this response be entered and considered.

Claims 21-25, 27-32, 34, and 43-45 were rejected under 35 U.S.C. § 103(a) over Murphy, U.S. Patent No. 6,564,380, in view of Meyers, U.S. Patent No. 7,031,931. Additionally, claims 36-40 and 42 were rejected under 35 U.S.C. § 103(a) over Murphy in view of Bartholomew, U.S. Patent No. 7,069,310. Applicant respectfully traverses these rejections.

Applicant respectfully submits that the Examiner is dissecting Applicant's claims feature-by-feature and is thus failing to consider the whole of what Applicant is claiming as his invention. As the MPEP states:

[T]he question under 35 U.S.C. § 103 is not whether the differences [between the claimed invention and the prior art] would have been obvious but whether the claimed invention *as a whole* would have been obvious. (Internal quotation marks omitted; emphasis in original.)

See MPEP 8<sup>th</sup> ed., R5, § 2144.08, p. 2100-146, citing Stratoflex v. Aeroquip Corp., 713 F.2d 1530, 1537, 218 USPQ 871, 877 (Fed. Cir. 1983). Moreover, "the claimed invention may not be dissected into discrete elements to be analyzed in isolation, but must be considered as a whole," (See MPEP 8<sup>th</sup> ed., R5, § 2144.08, p. 2100-144, citing W.L. Gore & Assoc., Inc. v. Garlock, Inc., 721 F.2d 1540, 1548, 220 USPQ 1021, 1026 (Fed. Cir. 1983)).

In response to the rejections, Applicant will point out the individual errors of the rejection, and will then discuss the background against which the invention was made and

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<sup>1</sup> Applicant notes that the Examiner's listing of claims on the Form PTOL-326 is incorrect, because claim 35 was canceled in the response filed June 22, 2007.

the secondary considerations of nonobviousness involved. For the sake of brevity, Applicant will explain the deficiencies in the Examiner's rejection primarily with reference to the features of independent claim 21; although Applicant does not intend for the claims to stand or fall together, claim 21 is illustrative of many of the major flaws in the rejections. (In fact, the Examiner does not explicitly treat the text of either of independent claims 28 or 43, so it is difficult to respond to the rejections of those claims with any specificity.)

Applicant's independent claim 21 claims a method that comprises "receiving uploaded video clips from a plurality of remotely located uploaders via [a] website, each of [the] uploaders setting a fee associated with each uploaded video clip," "receiving a request via [the] website for at least one uploaded video clip," identifying a fee associated with the requested video clip, charging at least the identified fee to the originator of the request, providing the video clip to the originator of the request, and crediting the uploader with at least a portion of the fee.

Murphy, the primary reference relied upon by the Examiner, teaches an Internet-based system for managing video feeds. The Murphy system is fundamentally a system for pushing content from a small number of producers to a large number of users; Murphy discloses nothing about multi-user interaction or the benefits of user-driven Web sites.

The Examiner admits that Murphy does not disclose certain features of Applicant's claims, but appears to be scouring Murphy for any disclosure that can be squeezed into the mold of Applicant's claims. In doing so, the Examiner is construing individual features of Applicant's claims in a way that is self-contradicting and divorced from both the context of the claims and the disclosure of the application.

A prime example of this is the Examiner's assertion that "Murphy also discloses (g) providing a video clip listing to at least some users, the listing providing information including the rating, or an aggregate rating including the rating" (emphasis added). The Examiner points to column 14, lines 27-30 of Murphy. This assertion was made in the prior Office Action. As Applicant noted then and will repeat now, Murphy discloses maintaining a list of video feeds "deemed likely" to be popular, a thing very different from allowing users to rate video clips and posting a list of clips that actually are popular.

Applicant notes that “the rating” in the above-quoted passage refers to the rating given to a clip by the originator of a request to view it, i.e., the rating of a user who has asked to view the clip. However, on page 4 of the Office Action, the Examiner admits that Murphy does not disclose allowing the originator of the request to indicate a rating of the requested video clip. *If Murphy does not disclose allowing the originator of the request to indicate a rating of the requested video clip, how then can Murphy disclose posting a list that includes those ratings?*

Applicant submits that Murphy cannot disclose or suggest any such thing; one cannot say that Murphy discloses providing a video clip listing including ratings from the video clip viewers in one paragraph and then, two paragraphs later, admit that Murphy does not disclose or suggest collecting ratings from video clip viewers in the first place!

Murphy does not disclose or suggest that feature because, as noted above, Murphy is fundamentally a system for pushing content from a relatively small number of content producers to a very large number of consumers. Murphy does not disclose, suggest, or realize the synergistic effects of allowing direct user interaction amongst many users. The attached Declaration from Mr. Kivin Varghese, the inventor of the present application, explains some of the benefits of user interaction and the shortcomings of Murphy in more detail.

To cure the defect in Murphy – its failure to disclose collecting ratings from clip viewers – the Examiner cites Meyers. Meyers, which discloses a device that can be connected to a personal media player to allow the user to rate the songs on that player, is utterly irrelevant to Applicant’s invention and field of endeavor, comes out of the proverbial “left field,” and illustrates the extent of the Examiner’s dissection of Applicant’s claims.

A personal media player is not a multi-user website, and the question is not whether it would have been obvious to express preferences for certain things over others, but whether it would have been obvious to collect ratings from users in the context that Applicant recites. The Examiner’s justification for suggesting the combination of Murphy and Meyers is to make the combination “in order to recommend and/or provide users with products and services interested [*sic*] by other users who have similar preferences.” Even if one accepts the Examiner’s grammatically flawed justification at

face value, Meyers is simply the wrong reference to use – it says nothing about preferences in a multi-user, user interaction based website environment. Thus, even if it does disclose something about rating media, it does not remedy the fundamental problem with Murphy, which is that Murphy does not disclose anything about user interaction either.

Applicant respectfully submits that it would not have been within the capabilities of one of ordinary skill in the art to take a content “pushing” or distribution system like that taught in Murphy and turn it into a system that is based on, and derives its value from, user interaction. As Applicant will explain in more detail below, that leap requires real invention.

These arguments apply equally to independent claims 28 and 43, and Applicant respectfully submits that the rejection of independent claims 21, 28, and 43, and their dependent claims, should be withdrawn.

Independent claim 36 recites, *inter alia*, that the video clip is “of a limited and predetermined size before being uploaded.” The Examiner admits that Murphy does not disclose that feature, turns to Bartholomew to disclose it, and asserts that one can combine the two references “in order provide [*sic*] a better way to create, manage, and disseminate media files.” Whatever Bartholomew may disclose, Applicant respectfully submits that Murphy cannot be modified as suggested without negating much of the usefulness of the Murphy system. A significant portion of the Murphy disclosure is directed to the distribution of live video feeds (see, for example, column 12, lines 35-45 of Murphy). Live video feeds are by definition of indeterminate length, and to modify Murphy to impose predefined limits on the size of its feeds would be to destroy the ability to handle such live feeds with the Murphy system.

Moreover, the Examiner’s justification for making the combination is extremely generic. How, exactly, is Murphy with the proposed modification “better” than the unmodified system? What specific advantage or reason would one of skill in the art have had to modify Murphy as the Examiner proposes, even assuming that doing so did not destroy certain existing advantages of the Murphy system?

Applicant deserves a more specific reason why he cannot have a patent on claim 36 and its dependents. In KSR Int’l Co. v. Teleflex, Inc. (Docket No. 04-1350; decided

April 30, 2007)), the Supreme Court may have stepped back from a strict “teaching, suggestion, motivation” test – depending on whom you ask – but it did refer to that test as encapsulating a helpful insight (*see slip op.* at 15). Moreover, the Court did reaffirm the need for an explicit, reasoned analysis. Even in a post-KSR world, Applicant respectfully submits that the Examiner’s justification for combining Murphy and Bartholomew simply does not pass muster.

Thus, Applicant submits that claim 36 and the claims that depend from it are not obvious in view of Murphy and Bartholomew, and respectfully requests that the rejection be withdrawn.

The above remarks point out certain specific deficiencies and flaws in the particular rejections as presented in the final Office Action. However, the patentability of Applicant’s claims, and the Examiner’s failure to see them “as a whole” is best appreciated when one steps back from the individual references and looks at the state of the art in October of 2003, when this application was filed.

Applicant’s claims provide methods, systems and machine readable media with instructions for allowing users to share video, while allowing the uploader of the clip and the provider of the method and/or system to make a profit. Today, we live in a world pervaded by video and file sharing websites like YouTube and Google Video, and we do not think of them as novel. However, when this invention was made, it was an entirely different world – neither of those websites existed in 2003; they appeared nearly two years later, in 2005.<sup>2</sup>

In 2003, Kivin Varghese, the present inventor, foresaw the potential for video sharing over the World Wide Web, as well as the need for some mechanism by which one could make a profit allowing users to share video clips, and the need to compensate users for their contributions. The attached Declaration from Mr. Varghese attests to the circumstances in the market at that time. As Mr. Varghese’s Declaration bears out, at the time of the invention, making money from user-driven websites was difficult, and no one had a method for doing so that worked. Most user-driven sites that were rising to prominence at that time, such as the social networking site Friendster, were free and had

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<sup>2</sup> According to the Internet Archive (<http://www.archive.org>) “WayBack Machine” listings for <http://video.google.com> and <http://www.youtube.com>, the Google Video webpage made a first appearance on January 29, 2005, and YouTube first appeared on April 28, 2005.

no means of making money in sight.<sup>3</sup> Moreover, very little thought was given to the need to compensate users for contributing content.

Even after the instant patent application was filed on October 23, 2003, the industry still struggled with means for making profit from video sharing websites. An October 27, 2005 *New York Times* article<sup>4</sup>, the first to mention the new site YouTube by name, stated that:

Sharing video on the Web is still a new notion. "A lot of people haven't really come to terms with the idea that they can publish their own video online," said Jakob Lodwick, the founder of Vimeo, based in Manhattan. "For the longest time, video has always been connected to a physical tape or a disc. There are still a lot of people who aren't even comfortable sharing their photos online yet."

Thus, even two years after the present invention was made, the field was still in its infancy, and moreover, according to that same *New York Times* article, "[w]hile most of the services are free today, the entrepreneurs eventually hope to make money by selling ads or charging fees for premium levels of service," (emphasis added).

That portion of the article is particularly telling – in 2005, two years after the present invention was made, operators *eventually* hoped to make money by selling advertisements or charging fees for premium service. There was no mention of users setting fees associated with their uploaded clips and downloaders (i.e., clip requesters) paying a fee for those clips.

In fact, the same problems remain almost to the present day. A February 14, 2007 article on the website GigaOM opens with the following sentence, "Google is having quite a bit of trouble on the business side figuring out how to monetize YouTube and make it legit."<sup>5</sup> The article closes by saying that in early February of this year, over three years after the present invention was filed, YouTube "hoped to figure out a way to pay its

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<sup>3</sup> According to the Internet Archive (see note 2, *supra*), Friendster first posted a webpage in May of 2002, and by February of 2003 had a publicly available, although free to use, webpage.

<sup>4</sup> Kirsner, Scott. "Now Playing: Your Home Video," *The New York Times*, October 27, 2005. Internet. Available at <http://www.nytimes.com/2005/10/27/technology/circuits/27share.html>. Last accessed October 5, 2007.

<sup>5</sup> Gannes, Liz. "Google Shifting Resources to YouTube Monetization," GigaOM, February 14, 2007. Internet. Available at <http://gigaom.com/2007/02/14/google-shifting-resources-to-youtube-monetization/>. Last accessed October 15, 2007.

creators.” Thus, over three years after the present invention was made, one of the most popular video sharing Websites had still not “figured out” the subject matter of this application but “hoped” to do so.

Against that background, Applicant submits that the Examiner’s obviousness rejections are hollow and without substance. If Applicant’s claims would have been obvious at the time the invention was made, why is it that even two years after the filing of the present application, the market was heading in an entirely different direction – advertisement sales or fees for premium service? Why is it that over three years after the present invention was made, video sharing websites were still “figuring out” how to do what the present inventor has done?

Applicant submits that the direction of the market at the time of the invention is particularly important in this inquiry. In its recent decision in KSR, the Supreme Court refers several times to “market forces” and their role in the obviousness inquiry. See, for example, the slip opinion at page 13 (“When a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it.”), at page 14 (“Often, it will often be necessary to look to...the effects of demands known to the design community or present in the marketplace.”), and at page 15 (“In many fields it may be that there is little discussion of obvious techniques or combinations, and it often may be the case that market demand, rather than scientific literature, will drive design trends.”).

In those passages, the Court states that an inquiry into “market demand” at the time of the invention plays a role in determining that an invention would have been obvious. Applicant submits that the opposite is also true. When the market was clearly moving in a different direction at the time of the invention, as was the case here, that is an indicator of nonobviousness.

When one considers the totality of the circumstances at the time the invention was made, as well as the evidence accumulated in the years since the invention was made, Applicant’s claims clearly would not have been obvious. Careful scrutiny of the references that the Examiner has cited, as well as the manner in which the Examiner dissects Applicant’s claims and stretches the references to fit them, only buttresses that conclusion. Accordingly, Applicant respectfully requests that the rejections be withdrawn.

**CONCLUSION**

In view of the above, Applicant respectfully submits that this application is in condition for allowance, and a timely Notice to that effect is earnestly solicited. If any additional issues relating to patentability remain, the Examiner is invited to contact the undersigned.

Respectfully submitted,

/Andrew McAleavey, Reg. No. 50,535/  
Andrew McAleavey  
Reg. No. 50,535  
Tel. 510-428-9778  
Fax. 510-295-2490  
Customer No. 52447

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Enclosures:

Cited Documents  
Declaration of Kivin Varghese